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NOV 29 1999

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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VIA HAND DELIVERY

Ms. Magalie R. Salas
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: In the Matter of 1998 Biennial Regulatory Review – Review of Accounts Settlement in the Maritime Mobile and Maritime Mobile-Satellite Radio Services and Withdrawal of the Commission as an Accounting Authority in the Maritime Mobile and Maritime Mobile-Satellite Radio Services, IB Docket No. 98-96

Dear Ms. Salas:

On behalf of Stratos Mobile Networks USA ("Stratos"), enclosed for filing please find an original and four copies of Stratos' Reply Comments in the above-captioned rulemaking proceeding.

Also enclosed is an additional copy of these Reply Comments that we ask you to date stamp and return with our messenger.

Respectfully submitted,



Alfred M. Mamlet
Marc A. Paul

Enclosures

WASHINGTON

PHOENIX

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LOS ANGELES

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of

1998 Biennial Regulatory Review –
Review of Accounts Settlement in the
Maritime Mobile and Maritime Mobile-
Satellite Radio Services and Withdrawal
of the Commission as an Accounting
Authority in the Maritime Mobile and
Maritime Mobile-Satellite Radio
Services

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REPLY COMMENTS

I. INTRODUCTION

Stratos Mobile Networks USA ("Stratos") hereby files these reply comments in the above-captioned rulemaking proceeding.¹ Stratos provides a comprehensive array of satellite services to a variety of land, marine and aeronautical customers throughout the United States and abroad. On June 30, 1999, Stratos was certified as a private accounting authority by the Commission.² Accordingly, Stratos has a direct interest in the outcome of this proceeding.

¹ See 1998 Biennial Regulatory Review – Review of Accounts Settlement in the Maritime Mobile and Maritime Mobile-Satellite Radio Services and Withdrawal of the Commission as an Accounting Authority in the Maritime Mobile and Maritime Mobile-Satellite Radio Services, FCC 99-150 (July 13, 1999) ("Accounting Authority NPRM").

² See Letter from Regina W. Dorsey (Chief of Credit and Debt Management Center) to Alfred M. Mamlet (June 29, 1999) (assigning Stratos the U.S. AAIC designation of US09).

As commenters, including the National Telecommunications and Information Administration (“NTIA”) and the United States Coast Guard (“USCG”), have made clear throughout this rulemaking, an accounting authority of last resort is necessary to prevent the disruption of vital life safety maritime communications. If the Commission is not willing to continue to serve as an accounting authority of last resort, Stratos is ready, willing and able to assume this role. By assuming this role, the Commission will be relieved of the administrative burden of being the accounting authority of last resort, and there will be no disruption of government communications or threat to the safety of numerous maritime vessels. As set forth below, Stratos is willing to provide this service to U.S. governmental users at no charge for at least two years after the transition to Stratos.

II. RETAINING AN ACCOUNTING AUTHORITY OF LAST RESORT IS CRITICAL

Rather than appointing a new accounting authority of last resort, the Commission has indicated that it will rely upon users of maritime communications to designate their own accounting authority.³ Throughout this rulemaking, however, commenters have expressed serious concern with the Commission’s decision because an accounting authority of last resort plays a critical role in protecting maritime communications. In the words of the USCG: “The U.S. Coast Guard is responsible for protecting safety of life and property at sea and is concerned with the potential effect of

³ Accounting Authority NPRM at ¶ 13.

this proposal on the ability of shipowners and operators to communicate safety-related information to us and others.”⁴ Since many users of maritime mobile and maritime mobile satellite-radio services are unaware of the need for and the function of an accounting authority,⁵ commenters believe that many users will not recognize the need to appoint a new private accounting authority if the Commission abandons its current role. Indeed, many users may find their services inadvertently terminated, thereby placing life and property in jeopardy. According to NTIA, “the barring of services through non-payment of improperly routed, unpaid bills could adversely affect safety of life at sea and disrupt Government operations.”⁶ By retaining an accounting authority of

⁴ USCG Comments at 2. See also COMSAT Comments at 2 (Aug. 24, 1998) (“[W]ithdrawal by the Commission from its vital role as [the accounting authority of last resort] would result in a great deal of chaos in [the mobile communications] marketplace.”).

⁵ See NTIA Comments at 1 (Oct. 25, 1999) (“Many users of ship stations and INMARSAT terminals do not understand the need for an accounting authority and the associated procedures, and in many cases, they are not aware that they have an accounting authority.”); U.S. Coast Guard Comments at 2 (August 21, 1998) (“The owner may not even know he or she had an accounting authority, nor know what an accounting authority is, nor know that he or she had outstanding bills from foreign coast stations.”).

⁶ See NTIA Comments at 1. See also COMSAT Comments at 2 (“[The] Commission’s withdrawal [as the default accounting authority] . . . could have catastrophic consequences.”); COMSAT Comments at 3 (Aug. 24, 1998) (“COMSAT believes that, contrary to being in the public interest, withdrawal of the Commission as an [accounting authority] will cause widespread disruption.”); U.S. Coast Guard Comments at 2 (Aug. 21, 1998) (“Unless a means is established to designate a new default accounting authority, those with existing ship earth stations already having [sic] FCC designated as their accounting authority could find their ship earth station barred through no fault of their own.”).

last resort, however, the inadvertent and potentially life-threatening termination of communications would not occur.

While Stratos understands the Commission's desire to alleviate administrative burdens and redirect Commission resources,⁷ the commenters have painted a hazardous landscape for maritime communications if the Commission goes forward with its decision to eliminate the accounting authority of last resort. Rather than visit this hazardous landscape, Stratos believes the Commission has another option: *appoint Stratos as the new accounting authority of last resort.*

III. STRATOS WILL BE THE ACCOUNTING AUTHORITY OF LAST RESORT

As a currently operating accounting authority in the United States and Canada, Stratos is uniquely positioned to step forward and serve as an accounting authority of last resort, thereby relieving the Commission of its burden while not jeopardizing the safety of critical maritime communications. Stratos is willing to provide accounting authority services to U.S. government users at *no charge* for a period of at least two years following the transition of duties from the Commission to Stratos. Stratos recognizes that it will be necessary to establish suitable U.S. government payment and contractual mechanisms to implement this proposal. Accordingly, it is willing to work closely and flexibly with U.S. governmental users to construct a proposal

⁷ The Commission has stated that removing itself from the role of accounting authority of last resort would "[allow] for a more efficient use of the Commission's staff for other, mission-critical functions." Accounting Authority NPRM at 2.

that will accommodate their needs. Similarly, Stratos and the FCC will need to work together to adopt and implement a suitable transition plan.

Besides being certified as an accounting authority in the United States, Stratos' Canadian affiliate has been an accounting authority in Canada since 1992. Accordingly, Stratos has the necessary technical and administrative expertise to make the transition to an accounting authority of last resort as expeditiously as possible, and without disruption to maritime communications. Indeed, NTIA has stated that appointing a new accounting authority of last resort may not require the lengthy transition period being considered by the Commission.⁸

Stratos is also willing to serve as the accounting authority of last resort for private users of maritime communications. Since virtually all of the current private accounting authorities are charging private users on the basis of a fixed percentage of the user's total costs, Stratos, as the accounting authority of last resort, would reserve the right to charge private users on a percentage basis as well. For many private users, a percentage charge will be less than the \$2.00 per call they are currently paying the Commission. To the extent that a user regards Stratos' accounting authority charge as too high, the user will remain free to use another private accounting authority.

⁸ Id. at 2 ("However, if the Commission were to establish a contract itself with an accounting authority to process accounts for the Commission as the accounting authority of last resort, a transition period might not be necessary. The Commission could transfer its work to the new accounting authority of last resort at any time and phase out its contractual relationship with the new private accounting authority of last resort as INMARSAT users and VHF and HF ship stations reach agreement with their own accounting authorities.").

Stratos recognizes that the Commission previously sought volunteers to become the accounting authority of last resort and no company stepped forward.⁹ At the time of the Commission's request, Stratos was not certified as a U.S. accounting authority, and accordingly, it was not in a position to assume this role. Now, however, Stratos is an U.S. accounting authority.¹⁰ The Commission should not hesitate to take advantage of Stratos' offer. Indeed, the risk of disrupting maritime communications and possibly placing lives in jeopardy is not worth taking, especially when Stratos, with the requisite accounting authority experience and expertise, is willing to step forward and offer its services to the Commission and the public at large. The public interest would be served by accepting Stratos' offer.

IV. CONCLUSION

By retaining an accounting authority of last resort, the Commission can be assured that critical life-saving maritime communications for both governmental and private users will continue without disruption. To the extent that the Commission moves

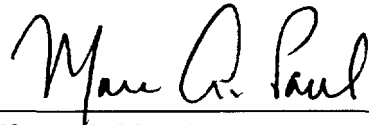
⁹ See 1998 Biennial Regulatory Review – Review of Accounts Settlement in the Maritime Mobile and Maritime Mobile-Satellite Radio Services and Withdrawal of the Commission as an Accounting Authority in the Maritime Mobile and Maritime Mobile-Satellite Radio Services Except for Distress and Safety Communications, NPRM, 13 FCC Rcd. 13651 (1998) (“One alternative might be to designate one private accounting authority as the new authority of last resort.”).

¹⁰ See Letter from Regina W. Dorsey (Chief of Credit and Debt Management Center) to Alfred M. Mamlet (June 29, 1999) (assigning Stratos the U.S. AAIC designation of US09).

forward with its decision to abandon its current role, Stratos is prepared to serve, as set forth above, as the new accounting authority of last resort.

Respectfully submitted,

Stratos Mobile Networks USA

By: 
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Dated: November 29, 1999

CERTIFICATE OF SERVICE

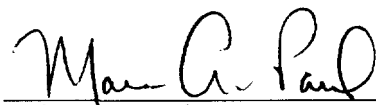
I hereby certify that on November 29th 1999, a true and correct copy of the foregoing
Reply Comments was served by hand delivery, upon the following:

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